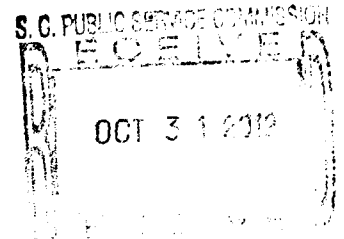


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October 29, 2012



Ms. Jocelyn Boyd
Chief Clerk & Administrator
Public Service Commission of S. C.
101 Executive Center Drive
Columbia, SC 29210

Re: Request of the Public Service Commission for Information on Termination of
Electric and/or Gas Service

Dear Ms Boyd:

Pursuant to the letter received from Mr. David Butler, Esq., dated January 13, 2005, enclosed is South Carolina Electric & Gas Company's (SCE&G) information regarding involuntary termination of both electric and gas customers' services. This report covers involuntary terminations in the third quarter of 2012.

A copy of this report is being provided to the Office of Regulatory Staff.

Sincerely,

John R. Hendrix

Enclosures

C: F. David Butler, Esq.
Dan F. Arnett
Catherine D. Taylor, Esq.
John W. Flitter
Kenneth R. Jackson
K. Chad Burgess

South Carolina Electric and Gas
Disconnect Statistics
3rd Quarter 2012

Disconnects				
	DNP's Generated	Resolved	DNP's Completed	% Complete vs Generated
<u>July</u>				
Residential	21,262	16,282	4,980	23%
Non-Residential	1,409	1,071	338	24%
Total	22,671	17,353	5,318	23%
<u>August</u>				
Residential	26,250	17,945	8,305	32%
Non-Residential	1,622	1,274	348	21%
Total	27,872	19,219	8,653	31%
<u>September</u>				
Residential	24,496	16,087	8,409	34%
Non-Residential	1,631	1,180	451	28%
Total	26,127	17,267	8,860	34%
<u>Grand Totals</u>				
Residential	72,008	50,314	21,694	30%
Non-Residential	4,662	3,525	1,137	24%
Total	76,670	53,839	22,831	30%
Avg monthly total	25,557	17,946	7,610	

Resolved indicates payment received or arrangements made (Short term arrangement, Deferred Payment Plan, Medical Certificates, etc.)

Reconnects

	Same Day Reconnect	One Day	Two Days	Three Days	Four Days	Five Days	> Five Days	No Reconnect	Total
<u>July</u>									
Residential	2537	508	205	126	64	36	233	1271	4,980
Non-Residential	142	42	12	9	6	4	21	102	338
Total	2,679	550	217	135	70	40	254	1,373	5,318
% Reconnected	50%	10%	4%	3%	1%	1%	5%	26%	
<u>August</u>									
Residential	4,473	969	266	184	117	69	429	1,798	8,305
Non-Residential	130	35	22	14	6	6	22	113	348
Total	4,603	1,004	288	198	123	75	451	1,911	8,653
% Reconnected	53%	12%	3%	2%	1%	1%	5%	22%	
<u>September</u>									
Residential	4460	1073	249	212	125	83	392	1815	8,409
Non-Residential	205	58	17	10	10	7	16	128	451
Total	4665	1131	266	222	135	90	408	1943	8,860
% Reconnected	53%	13%	3%	3%	2%	1%	5%	22%	
<u>Grand Totals</u>									
Residential	11,470	2,550	720	522	306	188	1,054	4,884	21,694
Non-Residential	477	135	51	33	22	17	59	343	1,137
Total	11,947	2,685	771	555	328	205	1,113	5,227	22,831
% Reconnected	52%	12%	3%	2%	1%	1%	5%	23%	

If payment is not received within 10 days of the disconnect date, the account is final billed.
Those accounts falling in that category are indicated by "no reconnect".





System-wide Disconnect Statistics 3rd Quarter 2012

Reasons for involuntary termination:

Safety – hazardous meter situations

Energy Diversion

Disconnect Non-payment

Safety:

During the 3rd quarter of 2012, no meters were turned off for safety reasons.

Energy Diversion:

There were 2 accounts disconnected due to Energy Diversion. One was a stolen meter and the customer requested the account closed. The other was an open meter base and the customer was made aware to replace the meter base.

Disconnect for non-payment:

- 22,831 disconnect orders were completed during the 3rd quarter of 2012. This represents an estimated 18,838 unique customers. 95% of these customers are residential customers and 5% are non-residential.
- 70% of the disconnect orders generated were canceled due to a payment or arrangement (Deferred Payment Agreement, Short Term Arrangement, etc.)
- The average daily number of disconnect orders completed was 381.
- Of the customers who were disconnected 64% reconnected within a 24 hour period. 17% of customers were disconnected 2 or more times during this period.

SCE&G Residential Delinquency Process

When a customer does not pay his/her utility bill, there are a number of steps that SCE&G takes to address the situation. The last step, and the least desirable, for dealing with a customer who has not paid his/her bill is to disconnect that customer's power.

Before any customer's power is disconnected, that customer is given multiple opportunities to pay a "past due" bill. The first past due notice is an attachment to the customer's monthly bill. It is displayed in the bill message portion and is marked "IMPORTANT NOTICE." This notifies the customer, at least ten (10) days prior to the possible termination of service, of SCE&G's intent to disconnect power. The notice displays a total of utility and non-utility related charges and complies with PSC Regulation 103-352A. The notice reads as follows:

BEFORE SERVICE IS DISCONNECTED

Your electric and/or natural gas service has been scheduled for disconnection because of non-payment. Under the rules and policies of South Carolina Electric and Gas Company, you have certain rights in this situation.

1. You have the right to an interview with the SCE&G local office customer representative at the address shown above who is authorized to accept payment or assist you in making deferred payment plan arrangements prior to disconnection. Contact our office between 8:00 A.M. and 5:00 P.M. Monday through Friday.
2. SCE&G intends to resolve any dispute or concern you may have. Call 1-800-251-7234 to have the staff of SCE&G investigate and review any dispute you may have concerning your service.
3. During the months of December through March, SCE&G will not disconnect a residential customer for a 30-day period, when furnished with a Medical Certificate signed by a licensed physician. If disconnection of your service would be dangerous to your health or a member of your household, obtain the Medical Certificate form from your SCE&G local office, have it completed and signed by your licensed physician and return the form to us prior to disconnection.
4. SCE&G's Customer Assistance Department works with elderly, handicapped and other special needs customers who require help from local agencies.
5. If a dispute cannot be resolved, the Office of Regulatory Staff is available at 1-800-922-1531 to investigate and review any unresolved dispute between SCE&G and the customer.

Four days prior to the forecasted disconnect, the customer is mailed a second notice, providing yet another opportunity to bring the account into good standing. This notice complies with PSC Regulation 103-352b, and includes options for customer to avoid disconnection or to communicate disputes.

In addition, third party notification is available to a customer that requests another individual to be notified before service is disconnected.

SCE&G does not disconnect services to its customers if the 24 hour-forecasted temperature is 32 degrees or below or 99 degrees or higher, or when adverse weather (ice storm, hurricane, major storms) impacts its service areas. In all cases, the company tries to use good judgment.

Service disconnects, especially those that coincide with inclement weather, are handled on a case-by-case basis, and include a consideration of immediate weather forecasts and a review of the customer's payment history.

As noted above, from December through March, SCE&G will not disconnect power for a 30-day period if a customer furnishes a physician-signed medical certificate stating that the customer or a member of the household has a health requirement that prohibits disconnection of service. These certificates are required by Federal law and upheld by the PSC.

In instances where a customer has demonstrated a good faith effort to pay the bill, but is struggling financially, SCE&G works directly with that customer to develop payment options that are tailored to the customer's individual situation. Those options include:

- . Short Term Arrangements – Allows a currently forecasted disconnect date to be stopped and deferred to the next forecasted disconnect date. In addition, any notices that have not been mailed to the customer are stopped.
- . Deferred Payment Plan – A payment plan designed to allow a customer to pay his past due amounts in monthly installments.

SCE&G Customer Representatives and Field Service Representatives are trained to identify customers with medical and/or special needs, and help them understand the types of financial assistance programs that may be available to them. Among those programs:

- White Cross – Provides a courtesy service for customers who require medical equipment in their homes. A courtesy call is made prior to disconnecting special needs customers. SCE&G has approximately 4,900 White Cross customers. When these customers are delinquent, SCE&G customer service representatives place courtesy phone calls to remind them that they are late in paying their bill.
- Weatherization – Some customers need help making their homes more weather resistant. Through employee volunteer efforts and corporate donations, SCE&G supports programs sponsored by local energy offices throughout the state to help many such customers. This program helps customers control their energy bills by weatherizing their homes so they can be heated and cooled more efficiently. Since the program began in 1983, more than 5,800 homes have been weatherized throughout South Carolina.
- Low Income Home Energy Assistance Program – South Carolina's Low-Income Home Energy Assistance Program helps people with their heating bills. The amount of assistance provided depends on the heating fuel used and the applicant's income. Since the program began in 1980, more than \$72 million in assistance has gone to SCE&G customers. To be eligible, families must meet federal standards of a low-income household.

- The SCE&G Employee Good Neighbor Fund – funded through the generous donations of SCE&G employees and retirees, this program provides temporary aid to individuals and families who are experiencing extreme financial difficulties and have exhausted all other sources of help. Funds are administered exclusively through employee referrals to provide essentials such as food, medical, and shelter expenses. In 2009, more than 340 families received financial assistance through this program.
- Project Share – SCE&G collects money via bill inserts, bill message, etc. to assist customers. These funds are administered by state agencies and the Salvation Army. Since 1986 more than \$7M in contributions assisted 43,000 customers. In 2009 more than \$252,000.00 in contributions assisted 619 customers.

SCE&G customer service representatives regularly refer customers in need of assistance to local community action agencies, as well as state and private agencies that specialize in providing that assistance. SCE&G's Website, www.sceg.com, publicizes a summary of available assistance.